

REPORT SUMMARY

Program and Policy Issues Impacting State Superfund Operations

Realigning statutory responsibilities and funding mechanisms would assist the Department of Environmental Quality in meeting its statutory mandates for remediating state superfund sites.

Introduction

Montana's state superfund program was created in 1985 for the purpose of addressing sites contaminated with hazardous or deleterious substances which were not being addressed

<u>State Superfund Priority List</u> <u>As of March 24, 2008</u>		
Facility Priority Ranking	Threat Level	Number of Facilities
Maximum	Immediate	6
High	Significant	51
Medium	Potential	75
Low	Minimal	53
Operation and Maintenance	Not Applicable	1
Referred to Other Program	Not Applicable	18
No Further Action	Not Applicable	5
Total		209
Source: Compiled by the Legislative Audit Division from department records.		

by federal superfund activities. The Department of Environmental Quality is responsible for overseeing investigation and cleanup activities at state superfund sites. There are 209 state superfund sites with 57 ranked as maximum or high priority.

Audit Findings

Analysis of state superfund operations shows a disconnect between funding and statutory obligations. Current funding allows the department to address only those state superfund sites where responsible parties are willing,

available and financially able to do remediation work and reimburse the department for oversight costs. There is a current funding source earmarked for a select group of responsible parties which is accessed by few. Redirecting this funding source would afford the department the opportunities to begin remediating those sites with unwilling or nonviable responsible parties – some of which are maximum and high priority sites and present potential harm to the public health and welfare of Montana citizens.

Analysis showed the department could improve long-term planning in order to strategically address cleanup needed at the state's superfund sites. The department could also improve its process for recovering state oversight costs from responsible parties. Lastly, the department could improve the submission and approval process of its voluntary cleanup program.

Audit Recommendations

Audit recommendations address the need for improving controls over general program operations, policy issues impacting program success, and procedural changes to improve remediation planning. Audit recommendations relate to:

- ♦ Implementing long-term planning and establishing additional priorities.
- ♦ Improving controls over department efforts to recover costs it incurs in overseeing remediation.
- ♦ Addressing funding issues and conflicting statutory mandates by redirecting underutilized financial resources.
- ♦ Refocusing department efforts from allocating liability to enforcement and cleanup.
- ♦ Adopting additional application process strategies to improve voluntary cleanup program operations and funding.

Some of these recommendations involve seeking legislative changes to address funding issues and provide enhanced capabilities to manage remediation work.